

## County of Los Angeles INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue Los Angeles, California 90063

"To enrich lives through effective and caring service"

Telephone: (323) 267-2103 FAX: (323) 264-7135

October 15, 2013

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

**Dear Supervisors:** 

### **ADOPTED**

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

10 October 15, 2013

SACHI A. HAMAI EXECUTIVE OFFICER

# ORDINANCE ESTABLISHING A DISABLED VETERAN BUSINESS ENTERPRISE PREFERENCE PROGRAM (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

#### **SUBJECT**

Approval of an ordinance establishing Chapter 2.211 to Title 2 – Administration of the County Code, Disabled Veteran Business Enterprise Preference Program.

#### IT IS RECOMMENDED THAT THE BOARD:

Approve an ordinance establishing Chapter 2.211 to Title 2 – Administration of the County Code, Disabled Veteran Business Enterprise Preference Program.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On August 20, 2013, your Board directed the Internal Services Department (ISD) to work with County Counsel to prepare an ordinance ("Ordinance") amending the County Code, Title 2 – Administration, to establish a Disabled Veteran Business Enterprise (DVBE) Preference Program that provides for a purchasing and contracting bid preference to veterans with service-connected disabilities.

The proposed Ordinance (attached) establishes a DVBE Preference Program ("DVBE Program") that is consistent with other preference programs established by the Board, including the Local Small Business Enterprise (LSBE), and Transitional Job Opportunities Preference (TJOP) programs.

The Honorable Board of Supervisors 10/15/2013 Page 2

These programs are designed to promote inclusiveness and economic development to ensure that all businesses are provided equal opportunities in the County's purchasing and contracting activities.

Consistent with the other County preference programs, the proposed DVBE Program provides for an eight percent (8%) price or scoring preference to bids and proposals from qualified DVBEs. A qualified business is one that has been certified as a DVBE by the State of California or the Veteran's Administration at the time of bid or proposal submittal.

The DVBE Program exclusions are also consistent with the other County preference programs. The DVBE Program excludes any contract or purchase for which a federal, State or local law prohibits or limits a DVBE preference. Furthermore, as a DVBE may also be certified LSBE or TJOP, the Ordinance restricts any preference amount to a maximum of eight percent (8%).

If approved by your Board, the proposed Ordinance will be implemented in countywide solicitations released on or after December 1, 2013. This will provide ISD sufficient time to update the website and provide implementation instructions to County departments, and communicate the DVBE Program to the business community, including potential DVBE vendors.

#### **Implementation of Strategic Plan Goals**

Approval of the proposed addition to the County Code will further the County's Strategic Plan Goal of Organizational Effectiveness by ensuring that service delivery systems are efficient, effective and goal-oriented.

#### FISCAL IMPACT/FINANCING

There is no historical or financial information available for DVBEs that are currently doing business with the County. However, State records indicate that there are 125 such businesses that are located in Los Angeles County.

ISD believes that establishing a preference would generate DVBE participation, and the preference amount would result in awards to DVBEs. However, given the limited number of DVBEs identified in the region, ISD estimates that the overall increase in countywide costs would be marginal. No cost is incurred when a DVBE is the low bidder.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed Ordinance has been approved as to form by County Counsel.

#### <u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

The proposed Ordinance will enhance existing contracting and purchasing policies and procedures while providing the appropriate guidance and direction necessary to reach decisions that are consistent with your Board's direction.

The Honorable Board of Supervisors 10/15/2013 Page 3

Respectfully submitted,



JIM JONES
Acting Director

JJ:JS:j

#### **Enclosures**

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Small Business Commission